GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1942
ANSWERED ON:15.12.2003
PRICE OF AGRICULTURAL PRODUCE
RAM TAHAL CHOUDHARY

Will the Minister of AGRICULTURE be pleased to state:

(a) whether prices of agricultural produce have fallen in the recent past;

(b) if so, the reasons thereof; and

(c) the remedial steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): According to the Wholesale Price Index (WPI) with base 1993-94=100, the point to point increase in the WPI of agricultural commodities for the year ending November 22, 2003 was 3.7% compared with 4.4% during the corresponding previous year. The main reason for the relative decline in the prices of agricultural commodities vis-Ã -vis last year has been the lower rate of increase in the prices of non-food articles and the decline in the prices of foodgrains, including pulses, during the year ending November 22, 2003.

(c): To minimize the impact of fluctuation in market prices both at home and abroad, and to ensure remunerative prices for farmers, the Government announces Minimum Support Prices(MSPs) for major kharif and rabi crops.For the Kharif crops of 2003-04 season the Government announced MSPs in July 2003. In order to encourage the farmers to switch over to relatively more remunerative crops like pulses and oilseeds, the Government have been announcing, in recent years, relatively higher increases in MSPs of these crops vis-a-vis the MSPs of other crops like paddy and wheat.